

**HELM**  
**FINANCIAL CORPORATION**  
**VIA AIR COURIER**

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

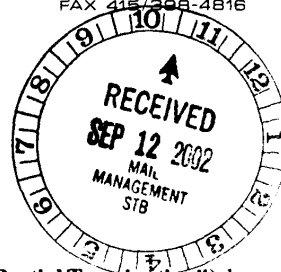
FAX 415/398-4816

September 11, 2002

Mr. Vernon Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

RECORDED NO. 23168-44  
SEP 12 '02 2:37 PM

**SURFACE TRANSPORTATION BOARD**



RE: Partial Termination of Security Agreement dated as of January 10, 2002 ("**Partial Termination**"), by Fleet National Bank ("**Fleet**"), as the Agent for the Lenders, as defined in the Credit Agreement, for the benefit of Helm Holding Corporation, Helm Financial Corporation and Helm Locomotive Leasing Corporation (collectively, "**Helm**")

Dear Mr. Williams:

On behalf of Helm Financial Corporation, I submit for filing and recording, under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder the following document:

Three (3) fully-executed originals of the above-referenced Partial Termination.

In connection with the recording of the Partial Termination, please note the following information:

Name and Address of Helm: Helm Financial Corporation  
One Embarcadero Center, Suite 3700  
San Francisco, CA 94111

Name and Address of Fleet: Fleet National Bank  
Transportation Division  
100 Federal Street  
Boston, MA 02110

Equipment: 6 B39-8 Locomotives  
BCOL 3906-3911 (Inclusive)

Please record this Partial Termination as a supplemental agreement to STB Recordation No. 23168 filed on October 18, 2000 at 2:43 PM. The filing fee of \$30.00 is enclosed.

**Summary:** Partial Termination of Security Agreement dated as of January 10, 2002, by Fleet National Bank, a national banking association ("**Fleet**") as the Agent for the Lenders, as defined in the Credit Agreement, for the benefit of Helm Holding Corporation, a California corporation, Helm Financial Corporation, a California corporation and Helm Locomotive Leasing Corporation, a California corporation (collectively, "**Helm**"), for 6 B39-8 locomotives, BCOL 3906-3911 (Inclusive), to be filed as a supplemental agreement to STB Recordation No. 23168.

Yours truly,

Sharon L. Van Fossan  
Supervisor Contract Administration

\svf  
Enclosures (3)

**PARTIAL TERMINATION OF  
SECURITY AGREEMENT**

THIS PARTIAL TERMINATION OF SECURITY AGREEMENT ("Partial Termination") is dated as of November 28, 2001, by **FLEET NATIONAL BANK**, a national banking association ("**Fleet**") as the Agent for the Lenders (as defined in the Credit Agreement described below), for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation (collectively, "**Helm**").

1. **Recitals.** Helm owns the rail equipment bearing the Association of American Railroad reporting mark and number as described in Exhibit A attached hereto (the "**Unit**"). Helm has granted a blanket security interest in all of its assets now owned or hereafter acquired (the "**Collateral**"), to Fleet upon the terms and conditions provided in that certain Security Agreement dated as of October 18, 2000, between Helm and Fleet (the "**Security Agreement**") as filed with the Surface Transportation Board of the Department of Transportation ("**STB**") on October 18, 2000 at 2:43 P.M. under Recordation No. 23168. The Security Agreement was executed in connection with that certain Revolving Credit and Term Loan Agreement dated as of October 18, 2000, among the Borrowers, Lenders and Agent as defined therein (the "**Credit Agreement**").

Helm intends to sell the Unit to a third party and desires that such sale shall be free and clear of any lien or security interest of Fleet. Helm requests Fleet's consent to such sale of the Unit and requests Fleet to terminate its lien and security interest in the Units.

2. **Consent & Partial Termination.** Fleet hereby consents to the sale of the Unit by Helm. Fleet hereby forever terminates any and all liens and security interests in the Unit granted to it under the Security Agreement. Such liens and security interests in the Unit shall be forever terminated upon the filing of this Partial Termination with the STB, at which time all of Fleet's right, title and interest in and to the Unit shall be null and void.

This Partial Termination shall have no effect on Fleet's lien and security interest in any other Collateral other than the Unit and said lien and security interest in such other Collateral is hereby reaffirmed.

IN WITNESS WHEREOF, pursuant to due authority, Fleet has executed this Partial Termination of Security Agreement as of the date first above written.

**FLEET NATIONAL BANK, as Agent**

By: \_\_\_\_\_

Print Name: Paul Feloney, Jr.

Its: Managing Director

RECORDATION NO. 23168-44 FILED

SEP 12 '02

2:37 PM

**SURFACE TRANSPORTATION BOARD**

STATE OF MASSACHUSETTS    )  
  ) S.S.  
COUNTY OF Suffolk        )

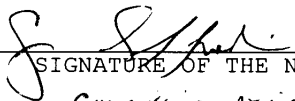
On August 19, 2002, before me, Carmen Suffredini,  
personally appeared Paul Feloney, Managing Director of  
**FLEET NATIONAL BANK**

X personally known to me    -OR-

\_\_\_\_\_ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument  
and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s)  
acted, executed the instrument.

Witness my hand and official seal.

  
\_\_\_\_\_  
SIGNATURE OF THE NOTARY  
Commission expires 11/27/03

[Notarial Seal]

**EXHIBIT A**

to the  
Partial Termination of Security Agreement  
dated as of November 28, 2001

The "Units"

**Description of the Units:**

Six (6), General electric, 3900 horsepower, road switcher, B39-8 locomotives  
built in 1987 and 1988.

**Old Reporting  
Mark and Number**

LMX 8516  
LMX 8526  
LMX 8549  
LMX 8556  
LMX 8559  
LMX 8566

**New Reporting  
Mark and Number**

BCOL 3906  
BCOL 3907  
BCOL 3908  
BCOL 3909  
BCOL 3910  
BCOL 3911